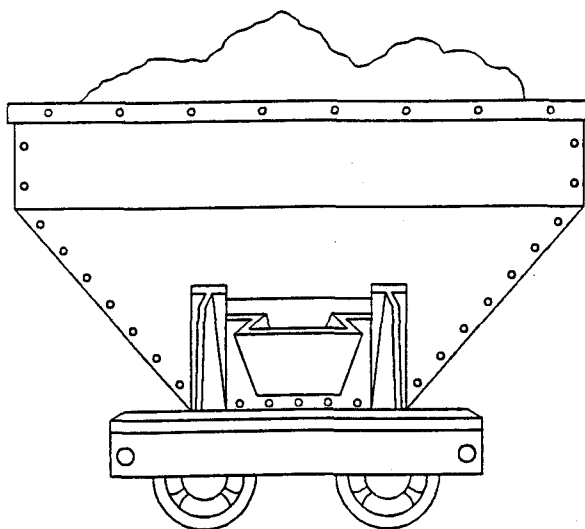


GENWAL RESOURCES, INC.

P.O. BOX 1420

HUNTINGTON, UTAH 84528



ANNUAL REPORT - 1995

1	1995 Annual Report
2	Federal Lease
3	Water Quality & Quantity Information on Disc
4	Crandall Canyon Mine Precipitation Log
5	Aerial Survey and Subsidence Study
6	Sedimentation Pond Certification Report
7	Legal, Financial, Comp- liance, and Related Information
8	UPDES Permit and Air Quality
9	Certificate of Insurance
10	

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Wilson Jones.

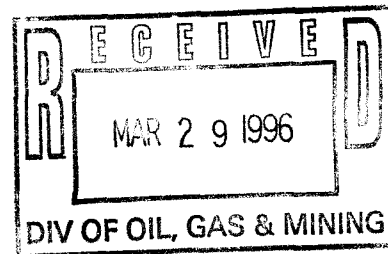


GENWAL
RESOURCES, INC.

P.O. Box 1420 • 195 North 100 West • Huntington, Utah 84528
Telephone (801) 687-9813 • Fax (801) 687-9784

March 27, 1996

Mr. Daron Haddock
Permit Supervisor
Division of Oil, Gas, and Mining
3 Triad Center, Suite 350
355 West North Temple
Salt Lake City, Utah 84180-1203



Dear Daron:

Genwal is pleased to submit two copies of our Annual Report (1 copy for DOGM and 1 copy for the USFS). Genwal has addressed the items in the guidelines proposed by the Division. In addition, as agreed to between the Division and the Utah Coal Operators Environmental Committee meeting held on March 21, 1996, Genwal is not submitting "hard copies" of the data which has been previously submitted in our Quarterly reports. However, should you need any of the "hard-copies" please let me know and I can provide duplicates of specific data.

As you will note from the data, only the following changes were noted during 1995. They are:

1. The water level in two inmine wells increased during the 4th quarter. This reverses the decline in water levels witnessed over the past several years.
2. Genwal reduced the amount of water being pumped from Crandall Creek after August, 1995. Genwal also discharged water from the mine during the fall of 1995. Genwal anticipates that pumping from Crandall Creek will continue, but that the pumping will be limited to a few events during the year. Genwal also anticipates that mine water discharge will continue to occur.
3. A slight increase in discharge from the springs being monitored was observed. However, both SP-30 and SP-36 remain dry and have not had sustained flow since the 1984-85 period when the area was subjected to a much higher than average amount of precipitation and runoff. These data continue to point to the fact that the springs associated with the Crandall Canyon Mine Permit Area are highly dependant upon precipitation and are not being impacted by underground mining.

Mr. Daron Haddock
March 27, 1996
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I appreciate being able to work with you and your staff on this and the many other projects where we work together. Should you have any questions or need additional information, please call.

Sincerely,

Randolph B. Gainer, P.G.
Environmental Manager

Attachments

cc: Dave Darby - DOGM (w/o attachments)